



[7590-01-P]

NUCLEAR REGULATORY COMMISSION

[NRC-2008-0252; Docket Nos. 52-025 & 52-026; Combined License Nos. NPF-91 & NPF-92]

In the Matter of Municipal Electric Authority of Georgia (Vogtle Electric Generating Plant, Units 3 & 4);

Order Approving Transfer of License and Conforming Amendment

I.

Georgia Power Company, Oglethorpe Power Corporation, Municipal Electric Authority of Georgia (MEAG Power), the City of Dalton, GA, an incorporated municipality in the state of Georgia citing by and through its Board of Water, Light and Sinking Fund Commissioners (City of Dalton), and Southern Nuclear Operating Company, Inc. (SNC) (collectively, the owners) are holders of Combined License (COL) Nos. NPF-91 and NPF-92. These combined licenses authorize SNC to construct, possess, use, and operate Vogtle Electric Generating Plant (VEGP), Units 3 and 4 and the owners to possess but not operate VEGP, Units 3 and 4. The facility (which is currently under construction) is located adjacent to existing VEGP, Units 1 and 2 on a 3,169-acre coastal plain bluff on the southwest side of the Savannah River in eastern Burke County, GA. The facility is approximately 15 miles east-northeast of Waynesboro, GA, and 26 miles southeast of Augusta, GA.

II.

By letter dated December 2, 2013, SNC on behalf of MEAG Power and MEAG Power Special Purpose Vehicle (SPV) M, LLC; MEAG Power SPVJ, LLC; and MEAG Power SPVP, LLC (The Project Companies) submitted an application to the U.S. Nuclear Regulatory Commission (NRC or Commission) requesting approval of three direct transfers of portions of MEAG Power's 22.7 percent undivided ownership interest in VEGP, Units 3 and 4. Each of these three transfers may occur independently of or in conjunction with the others, as follows:

1. The transfer of a 7.6886571 percent undivided interest in VEGP, Units 3 and 4 from MEAG Power to MEAG Power SPVM, LLC (Project M);
2. The transfer of a 9.3466423 percent undivided interest in VEGP, Units 3 and 4 from MEAG Power to MEAG Power SPVJ, LLC (Project J); and
3. The transfer of a 5.6647006 percent undivided interest in VEGP, Units 3 and 4 from MEAG Power to MEAG Power SPVP, LCC (Project P).

The application is in connection with the finalization of three loans from the U.S. Federal Finance Bank (U.S. FFB) or one or more third party lenders to be guaranteed by the U.S. Department of Energy (DOE) through its loan guarantee program for the development of advanced nuclear energy facilities.

SNC on behalf of MEAG Power provided supplemental information by letters dated December 12, 2013 and April 17, 2014 (hereinafter, this document will refer to the December 2, 2013, application, and the December 12, 2013, and April 17, 2014, supplemental information collectively as the "application"). The application did not request any physical changes to the facility or operational changes. After completion of the proposed transfers one or all of MEAG Power SPVM, MEAG Power SPVJ, and MEAG Power SPVP would own the prescribed portion of MEAG Power's currently undivided 22.7 percent ownership interest in VEGP, Units 3 and 4. SNC would remain the licensed operator of VEGP, Units 3 and 4.

The applicants also requested approval of a conforming license amendment that would replace references to MEAG Power in the license with the appropriate references to the Project Companies based on which of the transfers was finalized, to reflect the transfer of ownership.

The applicants requested approval of the transfer of the COL and conforming license amendment under the regulations of Title 10 of the *Code of Federal Regulations* (10 CFR) Section 52.105, "Transfer of Combined Licenses," 10 CFR 50.80, "Transfer of License," and 10 CFR 50.90, "Application for Amendment of License, Construction Permit, or Early Site Permit." Notice of the request for approval and opportunity for a hearing was published in the *Federal Register* on January 21, 2014 (79 FR 3420). No comments were received. No petitions for leave to intervene or requests for hearing pursuant to 10 CFR 2.309 were received.

Pursuant to 10 CFR 50.80, no license, or any right thereunder, shall be transferred, directly or indirectly, through transfer of control of the license, unless the Commission shall give its consent in writing. Upon review of the information in the application and other information before the Commission, and relying upon the representations and agreements contained in the application, the NRC staff has determined that Project Companies are qualified to hold the aforementioned specific percentage of ownership interest in the facility previously held by MEAG Power, and that the transfer of ownership interests described in the application is otherwise consistent with applicable provisions of law, regulations and orders issued by the Commission, subject to the conditions set forth below. The NRC staff has further found that the application for the proposed license amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I; the facility will operate in conformity with the applications, the provisions of the Act, and the rules and regulations of the Commission; there is reasonable assurance that the activities authorized by the proposed conforming license amendment can be conducted without endangering the health and safety of the public and that such activities will be conducted in compliance with the Commission's regulations; the issuance

of the proposed license amendment will not be inimical to the common defense and security or to the health and safety of the public; and the issuance of the proposed amendment will be in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

The findings set forth above are supported by an NRC safety evaluation dated April 29, 2014.

III.

Accordingly, pursuant to Sections 161b, 161i, and 184 of the Act, 42 U.S.C. Sections 2201(b), 2201(i), and 2234; and 10 CFR 50.80, IT IS HEREBY ORDERED that the three specific transfers of the license, as described herein, to MEAG Power SPVM; MEAG Power SPVJ; and MEAG Power SPVP are approved, subject to the following conditions:

- (1) Prior to completion of the transfer of the license, MEAG Power SPVM; MEAG Power SPVJ, and/or MEAG Power SPVP, as appropriate, shall provide the Director of the Office of New Reactors (NRO) satisfactory documentary evidence that it has obtained the appropriate amount of insurance required of a licensee under 10 CFR Part 140 of the Commission's regulations.
- (2) At the time of the transfer, MEAG Power, MEAG Power SPVM, MEAG Power SPVJ, and/or MEAG Power SPVP shall establish and maintain separate trusts for Vogtle, Units 3 and 4 for the purposes of providing decommissioning funding assurance. The trusts will comply with the requirements of 10 CFR 50.75. The share of responsibility for the decommissioning funding shall be determined by the share of ownership each holds following the transfer.

IT IS FURTHER ORDERED that, consistent with 10 CFR 2.1315(b), all of the potential license amendments that make changes, as indicated in Enclosure 2 and Enclosure 3 to the cover letter forwarding this Order, to conform the licenses to reflect the subject direct license

transfer are approved. It should be noted that only the license amendment that properly reflects the transfer as it occurs will be issued, rendering the approval of the remaining combinations moot.

IT IS FURTHER ORDERED that MEAG Power shall inform the Director of NRO in writing of the date of closing of the transfer of MEAG Power's 22.7 percent undivided ownership interest in VEGP Units 3 and 4, at least one business day prior to closing. Should the transfer of the license not be completed within one year of this Order's date of issue, this Order shall become null and void, provided, however, that upon written application and for good cause shown, such date may be extended by order.

This Order is effective upon issuance.

For further details with respect to this Order, see the initial application dated December 2, 2013, as supplemented by letters dated December 12, 2013 and April 17, 2014, and the safety evaluation dated April 29, 2014, which are available for public inspection at the Commission's Public Document Room (PDR), located at One White Flint North, 11555 Rockville Pike, Room O-1 F21 (First Floor), Rockville, Maryland and accessible electronically from the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1-800-397-4209, 301-415-4737, or by e-mail at pdr@nrc.gov.

Dated at Rockville, Maryland this 29th day of April 2014.

For The Nuclear Regulatory Commission.

Glenn M. Tracy, Director,
Office of New Reactors.

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